



General Assembly

January Session, 2009

Raised Bill No. 6350

LCO No. 2942

02942_____FIN

Referred to Committee on Finance, Revenue and Bonding

Introduced by:
(FIN)

***AN ACT ELIMINATING EXEMPTIONS FROM THE SALES AND USE
TAX AND LOWERING THE RATE OF SUCH TAX.***

Be it enacted by the Senate and House of Representatives in General
Assembly convened:

1 Section 1. Subdivision (1) of section 12-408 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective April*
3 *1, 2009, and applicable to sales occurring on and after said date*):

4 For the privilege of making any sales, as defined in subdivision (2)
5 of subsection (a) of section 12-407, at retail, in this state for a
6 consideration, a tax is hereby imposed on all retailers at the rate of [six]
7 five per cent of the gross receipts of any retailer from the sale of all
8 tangible personal property sold at retail or from the rendering of any
9 services constituting a sale in accordance with subdivision (2) of
10 subsection (a) of section 12-407, except, in lieu of said rate of [six] five
11 per cent, (A) at a rate of twelve per cent with respect to each transfer of
12 occupancy, from the total amount of rent received for such occupancy
13 of any room or rooms in a hotel or lodging house for the first period
14 not exceeding thirty consecutive calendar days, (B) with respect to the
15 sale of a motor vehicle to any individual who is a member of the
16 armed forces of the United States and is on full-time active duty in

17 Connecticut and who is considered, under 50 App USC 574, a resident
18 of another state, or to any such individual and the spouse thereof, at a
19 rate of four and one-half per cent of the gross receipts of any retailer
20 from such sales, provided such retailer requires and maintains a
21 declaration by such individual, prescribed as to form by the
22 commissioner and bearing notice to the effect that false statements
23 made in such declaration are punishable, or other evidence,
24 satisfactory to the commissioner, concerning the purchaser's state of
25 residence under 50 App USC 574, (C) (i) with respect to the sales of
26 computer and data processing services occurring on or after July 1,
27 1997, and prior to July 1, 1998, at the rate of five per cent, on or after
28 July 1, 1998, and prior to July 1, 1999, at the rate of four per cent, on or
29 after July 1, 1999, and prior to July 1, 2000, at the rate of three per cent,
30 on or after July 1, 2000, and prior to July 1, 2001, at the rate of two per
31 cent, on or after July 1, 2001, at the rate of one per cent, and on and
32 after April 1, 2009, at the rate of five per cent; (ii) with respect to sales
33 of Internet access services, on and after July 1, 2001, such services shall
34 be exempt from such tax, except on and after April 1, 2009, shall be
35 taxed at the rate of five per cent; (D) with respect to the sales of labor
36 that is otherwise taxable under subparagraph (C) or (G) of subdivision
37 (2) of subsection (a) of section 12-407 on existing vessels and repair or
38 maintenance services on vessels occurring on and after July 1, 1999,
39 such services shall be exempt from such tax, except on and after April
40 1, 2009, shall be taxed at the rate of five per cent; (E) with respect to
41 patient care services for which payment is received by the hospital on
42 or after July 1, 1999, and prior to July 1, 2001, at the rate of five and
43 three-fourths per cent and on and after July 1, 2001, but prior to April
44 1, 2009, such services shall be exempt from such tax, except on and
45 after April 1, 2009, shall be taxed at the rate of five per cent. The rate of
46 tax imposed by this chapter shall be applicable to all retail sales upon
47 the effective date of such rate, except that a new rate which represents
48 an increase in the rate applicable to the sale shall not apply to any sales
49 transaction wherein a binding sales contract without an escalator
50 clause has been entered into prior to the effective date of the new rate

51 and delivery is made within ninety days after the effective date of the
52 new rate. For the purposes of payment of the tax imposed under this
53 section, any retailer of services taxable under subparagraph (I) of
54 subdivision (2) of subsection (a) of section 12-407, who computes
55 taxable income, for purposes of taxation under the Internal Revenue
56 Code of 1986, or any subsequent corresponding internal revenue code
57 of the United States, as from time to time amended, on an accounting
58 basis which recognizes only cash or other valuable consideration
59 actually received as income and who is liable for such tax only due to
60 the rendering of such services may make payments related to such tax
61 for the period during which such income is received, without penalty
62 or interest, without regard to when such service is rendered.

63 Sec. 2. Section 12-411 of the general statutes is repealed and the
64 following is substituted in lieu thereof (*Effective April 1, 2009, and*
65 *applicable to sales occurring on and after said date*):

66 (1) An excise tax is hereby imposed on the storage, acceptance,
67 consumption or any other use in this state of tangible personal
68 property purchased from any retailer for storage, acceptance,
69 consumption or any other use in this state, the acceptance or receipt of
70 any services constituting a sale in accordance with subdivision (2) of
71 subsection (a) of section 12-407, purchased from any retailer for
72 consumption or use in this state, or the storage, acceptance,
73 consumption or any other use in this state of tangible personal
74 property which has been manufactured, fabricated, assembled or
75 processed from materials by a person, either within or without this
76 state, for storage, acceptance, consumption or any other use by such
77 person in this state, to be measured by the sales price of materials, at
78 the rate of [six] five per cent of the sales price of such property or
79 services, except, in lieu of said rate of [six] five per cent, (A) at a rate of
80 twelve per cent of the rent paid for occupancy of any room or rooms in
81 a hotel or lodging house for the first period of not exceeding thirty
82 consecutive calendar days, (B) with respect to the storage, acceptance,
83 consumption or use in this state of a motor vehicle purchased from any

84 retailer for storage, acceptance, consumption or use in this state by any
85 individual who is a member of the armed forces of the United States
86 and is on full-time active duty in Connecticut and who is considered,
87 under 50 App USC 574, a resident of another state, or to any such
88 individual and the spouse of such individual at a rate of four and
89 one-half per cent of the sales price of such vehicle, provided such
90 retailer requires and maintains a declaration by such individual,
91 prescribed as to form by the commissioner and bearing notice to the
92 effect that false statements made in such declaration are punishable, or
93 other evidence, satisfactory to the commissioner, concerning the
94 purchaser's state of residence under 50 App USC 574, (C) with respect
95 to the acceptance or receipt in this state of labor that is otherwise
96 taxable under subparagraph (C) or (G) of subdivision (2) of subsection
97 (a) of section 12-407 on existing vessels and repair or maintenance
98 services on vessels occurring on and after July 1, 1999, such services
99 shall be exempt from such tax, (D) (i) with respect to the acceptance or
100 receipt in this state of computer and data processing services
101 purchased from any retailer for consumption or use in this state
102 occurring on or after July 1, 1997, and prior to July 1, 1998, at the rate
103 of five per cent of such services, on or after July 1, 1998, and prior to
104 July 1, 1999, at the rate of four per cent of such services, on or after July
105 1, 1999, and prior to July 1, 2000, at the rate of three per cent of such
106 services, on or after July 1, 2000, and prior to July 1, 2001, at the rate of
107 two per cent of such services, on and after July 1, 2001, at the rate of
108 one per cent of such services, and (ii) with respect to the acceptance or
109 receipt in this state of Internet access services, on or after July 1, 2001,
110 such services shall be exempt from tax, (E) with respect to the
111 acceptance or receipt in this state of patient care services purchased
112 from any retailer for consumption or use in this state for which
113 payment is received by the hospital on or after July 1, 1999, and prior
114 to July 1, 2001, at the rate of five and three-fourths per cent and on and
115 after July 1, 2001, such services shall be exempt from such tax.

116 (2) Every person storing, accepting, consuming or otherwise using
117 in this state services or tangible personal property purchased from a

118 retailer for storage, acceptance, consumption or any other use in this
119 state and every person storing, accepting, consuming or otherwise
120 using in this state tangible personal property which has been
121 manufactured, fabricated, assembled or processed from materials
122 purchased from a retailer by such person, either within or without this
123 state, for storage, acceptance, consumption or any other use by such
124 person in this state is liable for the tax. Such person's liability is not
125 extinguished until the tax has been paid to this state, except that a
126 receipt from a retailer engaged in business in this state or from a
127 retailer who is authorized by the commissioner, under such
128 regulations as the commissioner may prescribe, to collect the tax and
129 who is, for the purposes of this chapter relating to the use tax,
130 regarded as a retailer engaged in business in this state, given to the
131 purchaser pursuant to subdivision (3) of this section is sufficient to
132 relieve the purchaser from further liability for the tax to which the
133 receipt refers.

134 (3) Every retailer engaged in business in this state and making sales
135 of services or of tangible personal property for storage, acceptance,
136 consumption or any other use in this state, not exempted under this
137 chapter, shall, at the time of making a sale or, if the storage,
138 acceptance, consumption or other use is not then taxable hereunder, at
139 the time the storage, acceptance, consumption or use becomes taxable,
140 collect the use tax from the purchaser and give to the purchaser a
141 receipt therefor in the manner and form prescribed by the
142 commissioner. For the purpose of uniformity of tax collection by the
143 retailer the tax brackets set forth in subdivision (3) of section 12-408
144 pertaining to the sales tax shall be employed in the computation of the
145 tax imposed by this section.

146 (4) The tax required to be collected by the retailer constitutes a debt
147 owed to the retailer by the person purchasing tangible personal
148 property or services from such retailer. The amount of tax, when so
149 collected, shall be deemed to be a special fund in trust for the state of
150 Connecticut.

151 (5) The provisions of subdivision (4) of section 12-408 pertaining to
152 the sales tax shall apply with equal force to the use tax.

153 (6) The tax required to be collected by the retailer from the
154 purchaser shall be displayed separately from the list price, the price
155 advertised in the premises, the marked price, or other price on the
156 sales check or other proof of sales.

157 (7) Any person violating the provisions of subdivision (3), (5) or (6)
158 of this section shall be fined five hundred dollars for each offense.

159 (8) Every retailer selling services or tangible personal property for
160 storage, acceptance, consumption or any other use in this state shall
161 register with the commissioner and give the name and address of all
162 agents operating in this state, the location of all distribution or sales
163 houses or offices or other places of business in this state and such other
164 information as the commissioner may require.

165 (9) For the purpose of the proper administration of this chapter and
166 to prevent evasion of the use tax and the duty to collect the use tax, it
167 shall be presumed that services or tangible personal property sold by
168 any person for delivery in this state is sold for storage, acceptance,
169 consumption or other use in this state until the contrary is established.
170 The burden of proving the contrary is upon the person who makes the
171 sale unless such person takes from the purchaser a certificate to the
172 effect that the services or property is purchased for resale.

173 (10) The certificate relieves the person selling the services or
174 property from the burden of proof only if taken in good faith from a
175 person who is engaged in the business of selling services or tangible
176 personal property and who holds the permit provided for by section
177 12-409 and who, at the time of purchasing the services or tangible
178 personal property, intends to sell it in the regular course of business or
179 is unable to ascertain at the time of purchase whether the service or
180 property will be sold or will be used for some other purpose.

181 (11) The certificate shall be signed by and bear the name and
182 address of the purchaser, shall indicate the number of the permit
183 issued to the purchaser and shall indicate the general character of the
184 service or tangible personal property sold by the purchaser in the
185 regular course of business. The certificate shall be substantially in such
186 form as the commissioner may prescribe.

187 (12) (A) If a purchaser who gives a certificate makes any storage or
188 use of the service or property other than retention, demonstration or
189 display while holding it for sale in the regular course of business, the
190 storage or use is taxable as of the time the service or property is first so
191 stored or used.

192 (B) Notwithstanding the provisions of subparagraph (A) of this
193 subdivision, any storage or use by a certificated air carrier of an aircraft
194 for purposes other than retention, demonstration or display while
195 holding it for sale in the regular course of business shall not be deemed
196 a taxable storage or use by such carrier as of the time the aircraft is first
197 stored or used by such carrier, irrespective of the classification of such
198 aircraft on the balance sheet of such carrier for accounting and tax
199 purposes.

200 (13) It shall be presumed that tangible personal property shipped or
201 brought to this state by the purchaser was purchased from a retailer
202 for storage, use or other consumption in this state.

203 (14) [(A)] For the purpose of the proper administration of this
204 chapter and to prevent evasion of the use tax, a purchase of any service
205 described in subparagraph (I) of subdivision (2) of subsection (a) of
206 section 12-407 shall be considered a purchase for resale only if the
207 service to be resold is an integral, inseparable component part of a
208 service described in said subparagraph (I) which is to be subsequently
209 sold by the purchaser to an ultimate consumer. The purchaser of the
210 service for resale shall maintain, in such form as the commissioner
211 requires, records which substantiate: (i) From whom the service was
212 purchased and to whom the service was sold; (ii) the purchase price of

213 the service; and (iii) the nature of the service to demonstrate that the
214 service was an integral, inseparable component part of a service
215 described in subparagraph (I) of subdivision (2) of subsection (a) of
216 section 12-407 which was subsequently sold to a consumer.

217 [(B) Notwithstanding the provisions of subparagraph (A) of this
218 subdivision, no purchase of a service described in subparagraph (I) of
219 subdivision (2) of subsection (a) of section 12-407 by a purchaser shall
220 be considered a purchase for resale if such service is to be
221 subsequently sold by the purchaser to an ultimate consumer that is
222 affiliated with the purchaser in the manner described in subparagraph
223 (A) of subdivision (62) of subsection (a) of section 12-412.

224 (15) For the purpose of the proper administration of this chapter
225 and to prevent evasion of the use tax, no purchase of any service by a
226 purchaser shall be considered a purchase for resale if such service is to
227 be subsequently sold by the purchaser, without change, to an ultimate
228 consumer that is affiliated with the purchaser in the manner described
229 in subparagraph (A) of subdivision (62) of subsection (a) of section 12-
230 412.]

231 Sec. 3. (NEW) (*Effective April 1, 2009, and applicable to sales occurring*
232 *on and after said date*): Taxes imposed by chapter 219 of the general
233 statutes shall not apply to the gross receipts from the sale of and the
234 storage, use or other consumption in this state with respect to the
235 following items:

236 (1) (A) Sales of tangible personal property or services to the United
237 States, the state of Connecticut or any of the political subdivisions
238 thereof, or its or their respective agencies; (B) sales of tangible personal
239 property or services used to develop property which the state of
240 Connecticut is under contract to purchase through a long-term
241 financing contract; (C) sales and use of any services or tangible
242 personal property to be incorporated into or used or otherwise
243 consumed in (i) the demolition, remediation or preparation of the
244 Adriaen's Landing site and the stadium facility site for purposes of the

245 overall project, each as defined in section 32-651 of the general statutes,
246 as amended by this act, (ii) the construction of the convention center,
247 the Connecticut Center for Science and Exploration, the stadium
248 facility and the related parking facilities and site preparation and
249 infrastructure improvements, each as defined in section 32-651 of the
250 general statutes, as amended by this act, or (iii) the construction of any
251 future capital improvement to the convention center, the stadium
252 facility or the related parking facilities.

253 (2) Sales of tangible personal property or services which this state is
254 prohibited from taxing under the Constitution or laws of the United
255 States.

256 Sec. 4. Subparagraph (A) of subdivision (8) of subsection (a) of
257 section 12-407 of the general statutes is repealed and the following is
258 substituted in lieu thereof (*Effective April 1, 2009, and applicable to sales*
259 *occurring on and after said date*):

260 (8) (A) "Sales price" means the total amount for which tangible
261 personal property is sold by a retailer, the total amount of rent for
262 which occupancy of a room is transferred by an operator, the total
263 amount for which any service described in subdivision (2) of this
264 subsection is rendered by a retailer or the total amount of payment or
265 periodic payments for which tangible personal property is leased by a
266 retailer, valued in money, whether paid in money or otherwise, which
267 amount is due and owing to the retailer or operator and, subject to the
268 provisions of subdivision (1) of section 12-408, as amended by this act,
269 whether or not actually received by the retailer or operator, without
270 any deduction on account of any of the following: (i) The cost of the
271 property sold; (ii) the cost of materials used, labor or service cost,
272 interest charged, losses or any other expenses; (iii) for any sale
273 occurring on or after July 1, 1993, any charges by the retailer to the
274 purchaser for shipping or delivery, notwithstanding whether such
275 charges are separately stated in a written contract, or on a bill or
276 invoice rendered to such purchaser or whether such shipping or

277 delivery is provided by the retailer or a third party. [The provisions of
278 subparagraph (A) (iii) of this subdivision shall not apply to any item
279 exempt from taxation pursuant to section 12-412.] Such total amount
280 includes any services that are a part of the sale; except as otherwise
281 provided in subparagraph (B)(v) or (B)(vi) of this subdivision, any
282 amount for which credit is given to the purchaser by the retailer, and
283 all compensation and all employment-related expenses, whether or not
284 separately stated, paid to or on behalf of employees of a retailer of any
285 service described in subdivision (2) of this subsection.

286 Sec. 5. Subparagraph (A) of subdivision (9) of subsection (a) of
287 section 12-407 of the general statutes is repealed and the following is
288 substituted in lieu thereof (*Effective April 1, 2009, and applicable to sales*
289 *occurring on and after said date*):

290 (9) (A) "Gross receipts" means the total amount of the sales price
291 from retail sales of tangible personal property by a retailer, the total
292 amount of the rent from transfers of occupancy of rooms by an
293 operator, the total amount of the sales price from retail sales of any
294 service described in subdivision (2) of this subsection by a retailer of
295 services, or the total amount of payment or periodic payments from
296 leases or rentals of tangible personal property by a retailer, valued in
297 money, whether received in money or otherwise, which amount is due
298 and owing to the retailer or operator and, subject to the provisions of
299 subdivision (1) of section 12-408, as amended by this act, whether or
300 not actually received by the retailer or operator, without any deduction
301 on account of any of the following: (i) The cost of the property sold;
302 however, in accordance with such regulations as the Commissioner of
303 Revenue Services may prescribe, a deduction may be taken if the
304 retailer has purchased property for some other purpose than resale,
305 has reimbursed the retailer's vendor for tax which the vendor is
306 required to pay to the state or has paid the use tax with respect to the
307 property, and has resold the property prior to making any use of the
308 property other than retention, demonstration or display while holding
309 it for sale in the regular course of business. If such a deduction is taken

310 by the retailer, no refund or credit will be allowed to the retailer's
311 vendor with respect to the sale of the property; (ii) the cost of the
312 materials used, labor or service cost, interest paid, losses or any other
313 expense; (iii) for any sale occurring on or after July 1, 1993, except for
314 any item exempt from taxation pursuant to section [12-412] 3 of this
315 act, any charges by the retailer to the purchaser for shipping or
316 delivery, notwithstanding whether such charges are separately stated
317 in the written contract, or on a bill or invoice rendered to such
318 purchaser or whether such shipping or delivery is provided by the
319 retailer or a third party. The total amount of the sales price includes
320 any services that are a part of the sale; all receipts, cash, credits and
321 property of any kind; except as otherwise provided in subparagraph
322 (B)(v) or (B)(vi) of this subdivision, any amount for which credit is
323 allowed by the retailer to the purchaser; and all compensation and all
324 employment-related expenses, whether or not separately stated, paid
325 to or on behalf of employees of a retailer of any service described in
326 subdivision (2) of this subsection.

327 Sec. 6. Subparagraph (I) of subdivision (37) of subsection (a) of
328 section 12-407 of the general statutes is repealed and the following is
329 substituted in lieu thereof (*Effective April 1, 2009, and applicable to sales*
330 *occurring on and after said date*):

331 (I) Services to industrial, commercial or income-producing real
332 property, including, but not limited to, such services as management,
333 electrical, plumbing, painting and carpentry and excluding any such
334 services rendered in the voluntary evaluation, prevention, treatment,
335 containment or removal of hazardous waste, as defined in section
336 22a-115, or other contaminants of air, water or soil, provided
337 income-producing property shall not include property used
338 exclusively for residential purposes in which the owner resides and
339 which contains no more than three dwelling units, or a housing facility
340 for low and moderate income families and persons owned or operated
341 by a nonprofit housing organization; [, as defined in subdivision (29)
342 of section 12-412;]

343 Sec. 7. Subparagraph (N) of subdivision (37) of subsection (a) of
344 section 12-407 of the general statutes is repealed and the following is
345 substituted in lieu thereof (*Effective April 1, 2009, and applicable to sales*
346 *occurring on and after said date*):

347 (N) Motor vehicle parking, including the provision of space, other
348 than metered space, in a lot having thirty or more spaces, excluding (i)
349 [space in a seasonal parking lot provided by a person who is exempt
350 from taxation under this chapter pursuant to subdivision (1), (5) or (8)
351 of section 12-412, (ii)] space in a parking lot owned or leased under the
352 terms of a lease of not less than ten years' duration and operated by an
353 employer for the exclusive use of its employees, [(iii)] (ii) valet parking
354 provided at any airport, and [(iv)] (iii) space in municipally-operated
355 railroad parking facilities in municipalities located within an area of
356 the state designated as a severe nonattainment area for ozone under
357 the federal Clean Air Act or space in a railroad parking facility in a
358 municipality located within an area of the state designated as a severe
359 nonattainment area for ozone under the federal Clean Air Act owned
360 or operated by the state on or after April 1, 2000.

361 Sec. 8. Subparagraph (S) of subdivision (37) of subsection (a) of
362 section 12-407 of the general statutes is repealed and the following is
363 substituted in lieu thereof (*Effective April 1, 2009, and applicable to sales*
364 *occurring on and after said date*):

365 (S) Services of the agent of any person in relation to the sale of any
366 item of tangible personal property for such person, exclusive of the
367 services of a consignee selling works of art, as defined in subsection (b)
368 of section 12-376c, or articles of clothing or footwear intended to be
369 worn on or about the human body other than (i) any special clothing
370 or footwear primarily designed for athletic activity or protective use
371 and which is not normally worn except when used for the athletic
372 activity or protective use for which it was designed, and (ii) jewelry,
373 handbags, luggage, umbrellas, wallets, watches and similar items
374 carried on or about the human body but not worn on the body, [in the

375 manner characteristic of clothing intended for exemption under
376 subdivision (47) of section 12-412,] under consignment, exclusive of
377 services provided by an auctioneer.

378 Sec. 9. Subparagraph (EE) of subdivision (37) of subsection (a) of
379 section 12-407 of the general statutes is repealed and the following is
380 substituted in lieu thereof (*Effective April 1, 2009, and applicable to sales*
381 *occurring on and after said date*):

382 (EE) [Notwithstanding the provisions of section 12-412, except
383 subdivision (87) of said section 12-412, patient] Patient care services, as
384 defined in subdivision (29) of this subsection by a hospital, except that
385 "sale" and "selling" does not include such patient care services for
386 which payment is received by the hospital during the period
387 commencing July 1, 2001, and ending June 30, 2003.

388 Sec. 10. Section 12-408b of the general statutes is repealed and the
389 following is substituted in lieu thereof (*Effective April 1, 2009, and*
390 *applicable to sales occurring on and after said date*):

391 On and after July 1, 1991, but prior to April 1, 2009, any person, firm
392 or corporation who pays a sales and use tax, which tax would not have
393 been due prior to July 1, 1991, pursuant to subdivision (39) of section
394 12-412 of the general statutes, revision of 1958, revised to January 1991,
395 shall recover the tax paid by (1) adding such tax to any amounts
396 otherwise payable under a sales contract approved by the Department
397 of Public Utility Control pursuant to subsection (d) of section 16-243a,
398 and (2) amortizing such tax, together with interest at the rate paid on
399 front-loaded payments, over the life of a sales contract approved by
400 the department pursuant to said subsection (d).

401 Sec. 11. Section 12-410 of the general statutes is repealed and the
402 following is substituted in lieu thereof (*Effective April 1, 2009, and*
403 *applicable to sales occurring on and after said date*):

404 (1) For the purpose of the proper administration of this chapter and

405 to prevent evasion of the sales tax it shall be presumed that all receipts
406 are gross receipts that are subject to the tax until the contrary is
407 established. The burden of proving that a sale of tangible personal
408 property or service constituting a sale in accordance with subdivision
409 (2) of subsection (a) of section 12-407 is not a sale at retail is upon the
410 person who makes the sale unless such person takes in good faith from
411 the purchaser a certificate to the effect that the property or service is
412 purchased for resale.

413 (2) The certificate relieves the seller from the burden of proof only if
414 taken in good faith from a person who is engaged in the business of
415 selling tangible personal property or services constituting a sale in
416 accordance with subdivision (2) of subsection (a) of section 12-407 and
417 who holds the permit provided for in section 12-409 and who, at the
418 time of purchasing the tangible personal property or service: (A)
419 Intends to sell it in the regular course of business; (B) intends to utilize
420 such personal property in the delivery of landscaping or horticulture
421 services, provided the total sale price of all such landscaping and
422 horticulture services are taxable under this chapter; or (C) is unable to
423 ascertain at the time of purchase whether the property or service will
424 be sold or will be used for some other purpose. The burden of
425 establishing that a certificate is taken in good faith is on the seller. A
426 certificate to the effect that property or service is purchased for resale
427 taken from the purchaser by the seller shall be deemed to be taken in
428 good faith if the tangible personal property or service purchased is
429 similar to or of the same general character as property or service which
430 the seller could reasonably assume would be sold by the purchaser in
431 the regular course of business.

432 (3) The certificate shall be signed by and bear the name and address
433 of the purchaser, shall indicate the number of the permit issued to the
434 purchaser and shall indicate the general character of the tangible
435 personal property or service sold by the purchaser in the regular
436 course of business. The certificate shall be substantially in such form as
437 the commissioner prescribes.

438 (4) (A) If a purchaser who gives a certificate makes any use of the
439 service or property other than retention, demonstration or display
440 while holding it for sale in the regular course of business, the use shall
441 be deemed a retail sale by the purchaser as of the time the service or
442 property is first used by the purchaser, and the cost of the service or
443 property to the purchaser shall be deemed the gross receipts from such
444 retail sale.

445 (B) Notwithstanding the provisions of subparagraph (A) of this
446 subdivision, any use by a certificated air carrier of an aircraft for
447 purposes other than retention, demonstration or display while holding
448 it for sale in the regular course of business shall not be deemed a retail
449 sale by such carrier as of the time the aircraft is first used by such
450 carrier, irrespective of the classification of such aircraft on the balance
451 sheet of such carrier for accounting and tax purposes.

452 (5) [(A)] For the purpose of the proper administration of this chapter
453 and to prevent evasion of the sales tax, a sale of any service described
454 in subparagraph (I) of subdivision (2) of subsection (a) of section 12-
455 407 shall be considered a sale for resale only if the service to be resold
456 is an integral, inseparable component part of a service described in
457 said subparagraph (I) which is to be subsequently sold by the
458 purchaser to an ultimate consumer. The purchaser of the service for
459 resale shall maintain, in such form as the commissioner requires,
460 records which substantiate: (i) From whom the service was purchased
461 and to whom the service was sold, (ii) the purchase price of the service,
462 and (iii) the nature of the service to demonstrate that the services were
463 an integral, inseparable component part of a service described in
464 subparagraph (I) of subdivision (2) of subsection (a) of section 12-407
465 which was subsequently sold to a consumer.

466 [(B) Notwithstanding the provisions of subparagraph (A) of this
467 subdivision, no sale of a service described in subparagraph (I) of
468 subdivision (2) of subsection (a) of section 12-407 by a seller shall be
469 considered a sale for resale if such service is to be subsequently sold by

470 the purchaser to an ultimate consumer that is affiliated with the
471 purchaser in the manner described in subparagraph (A) of subdivision
472 (62) of subsection (a) of section 12-412.

473 (6) For the purpose of the proper administration of this chapter and
474 to prevent evasion of the sales tax, no sale of any service by a seller
475 shall be considered a sale for resale if such service is to be
476 subsequently sold by the purchaser, without change, to an ultimate
477 consumer that is affiliated with the purchaser in the manner described
478 in subparagraph (A) of subdivision (62) of subsection (a) of section 12-
479 412.]

480 Sec. 12. Subdivision (3) of subsection (a) of section 12-458 of the
481 general statutes is repealed and the following is substituted in lieu
482 thereof (*Effective April 1, 2009, and applicable to sales occurring on and*
483 *after said date*):

484 (3) Said tax shall not be payable on such fuel as may have been (A)
485 sold to the United States, (B) sold to a municipality of this state, (i) for
486 use by any contractor performing a service for such municipality in
487 accordance with a contract, provided such fuel is used by such
488 contractor exclusively for the purposes of and in accordance with such
489 contract, or (ii) for use exclusively in a school bus, as defined in section
490 14-275, (C) sold to a municipality of this state, a transit district of this
491 state, or this state, at other than a retail outlet, for governmental
492 purposes and for use in vehicles owned and operated, or leased and
493 operated by such municipality, such transit district or this state, (D)
494 sold to a person licensed as a distributor in this state under section 12-
495 456, (E) transferred from storage within this state to some point
496 without this state, (F) sold to the holder of a permit issued under
497 section 12-458a for sale or use without this state, (G) [sold to the holder
498 of a permit issued under subdivision (63) of section 12-412, provided
499 (i) such fuel is not used in motor vehicles registered or required to be
500 registered to operate upon the public highways of this state, unless
501 such fuel is used in motor vehicles registered exclusively for farming

502 purposes, (ii) such fuel is not delivered, upon such sale, to a tank in
 503 which such person keeps fuel for personal and farm use, and (iii) a
 504 statement, prescribed as to form by the Commissioner of Revenue
 505 Services and bearing notice to the effect that false statements made
 506 under this section are punishable, that such fuel is used exclusively for
 507 farming purposes, is submitted by such person to the distributor, (H)]
 508 sold exclusively to furnish power for an industrial plant in the actual
 509 fabrication of finished products to be sold, or for the fishing industry,
 510 [(I)] (H) sold exclusively for heating purposes, [(J)] (I) sold exclusively
 511 to furnish gas, water, steam or electricity, if delivered to consumers
 512 through mains, lines or pipes, [(K)] (I) sold to the owner or operator of
 513 an aircraft, as defined in section 15-34, exclusively for aviation
 514 purposes, provided (i) for purposes of this subdivision, "aviation
 515 purposes" means for the purpose of powering an aircraft or an aircraft
 516 engine, (ii) such fuel is delivered, upon such sale, to a tank in which
 517 fuel is kept exclusively for aviation purposes, and (iii) a statement,
 518 prescribed as to form by the Commissioner of Revenue Services and
 519 bearing notice to the effect that false statements made under this
 520 section are punishable, that such fuel is used exclusively for aviation
 521 purposes, is submitted by such person to the distributor, [(L)] (K) sold
 522 to a dealer who is licensed under section 12-462, as amended by this
 523 act, and whose place of business is located upon an established airport
 524 within this state, or [(M)] (L) diesel fuel sold exclusively for use in
 525 portable power system generators that are larger than one hundred
 526 fifty kilowatts.

527 Sec. 13. Subsection (a) of section 12-462 of the general statutes is
 528 repealed and the following is substituted in lieu thereof (*Effective April*
 529 *1, 2009, and applicable to sales occurring on and after said date*):

530 (a) The commissioner may license dealers to purchase fuel that is
 531 exempt under subparagraph [(L)] (K) of subdivision (3) of subsection
 532 (a) of section 12-458, as amended by this act, from distributors and to
 533 sell such nontaxable fuel, provided they can properly control such sale,
 534 through meters or by full tank wagon compartment delivery, directly

535 into the fuel tank of any aircraft or aircraft engine. The dealer so
536 licensed shall keep and maintain proper accounting records of all
537 purchases from the distributor and sales invoices to the purchaser,
538 showing the signature of the purchaser and the license number of the
539 aircraft serviced, and the inventory on hand on the first day of each
540 month. Such records shall be preserved for a period of at least three
541 years and shall be audited by the commissioner at regular intervals.
542 Any discrepancies found to exist for which a satisfactory explanation
543 cannot be submitted shall be subject to the tax imposed by section 12-
544 458, as amended by this act, against such dealer. The license to sell fuel
545 as a dealer under this subsection may be revoked if the licensee fails to
546 properly control and safeguard the state from any diversion to uses
547 other than those specified in this section.

548 Sec. 14. Subsections (b) and (c) of section 12-587 of the general
549 statutes are repealed and the following is substituted in lieu thereof
550 (*Effective April 1, 2009, and applicable to sales occurring on and after said*
551 *date*):

552 (b) (1) Except as otherwise provided in subdivision (2) of this
553 subsection, any company which is engaged in the refining or
554 distribution, or both, of petroleum products and which distributes
555 such products in this state shall pay a quarterly tax on its gross
556 earnings derived from the first sale of petroleum products within this
557 state. Each company shall on or before the last day of the month next
558 succeeding each quarterly period render to the commissioner a return
559 on forms prescribed or furnished by the commissioner and signed by
560 the person performing the duties of treasurer or an authorized agent or
561 officer, including the amount of gross earnings derived from the first
562 sale of petroleum products within this state for the quarterly period
563 and such other facts as the commissioner may require for the purpose
564 of making any computation required by this chapter. Except as
565 otherwise provided in subdivision (3) of this subsection, the rate of tax
566 shall be (A) five per cent with respect to calendar quarters prior to July
567 1, 2005; (B) five and eight-tenths per cent with respect to calendar

568 quarters commencing on or after July 1, 2005, and prior to July 1, 2006;
569 (C) six and three-tenths per cent with respect to calendar quarters
570 commencing on or after July 1, 2006, and prior to July 1, 2007; (D)
571 seven per cent with respect to calendar quarters commencing on or
572 after July 1, 2007, and prior to July 1, 2013; and (E) eight and one-tenth
573 per cent with respect to calendar quarters commencing on or after July
574 1, 2013.

575 (2) Gross earnings derived from the first sale of the following
576 petroleum products within this state shall be exempt from tax: (A) Any
577 petroleum products sold for exportation from this state for sale or use
578 outside this state; (B) the product designated by the American Society
579 for Testing and Materials as "Specification for Heating Oil D396-69",
580 commonly known as number 2 heating oil, to be used exclusively for
581 heating purposes or to be used in a commercial fishing vessel; [, which
582 vessel qualifies for an exemption pursuant to section 12-412;] (C)
583 kerosene, commonly known as number 1 oil, to be used exclusively for
584 heating purposes, provided delivery is of both number 1 and number 2
585 oil, and via a truck with a metered delivery ticket to a residential
586 dwelling or to a centrally metered system serving a group of
587 residential dwellings; (D) the product identified as propane gas, to be
588 used exclusively for heating purposes; (E) bunker fuel oil, intermediate
589 fuel, marine diesel oil and marine gas oil to be used in any vessel
590 having a displacement exceeding four thousand dead weight tons; (F)
591 for any first sale occurring prior to July 1, 2008, propane gas to be used
592 as a fuel for a motor vehicle; (G) for any first sale occurring on or after
593 July 1, 2002, grade number 6 fuel oil, as defined in regulations adopted
594 pursuant to section 16a-22c, to be used exclusively by a company
595 which, in accordance with census data contained in the Standard
596 Industrial Classification Manual, United States Office of Management
597 and Budget, 1987 edition, is included in code classifications 2000 to
598 3999, inclusive, or in Sector 31, 32 or 33 in the North American
599 Industrial Classification System United States Manual, United States
600 Office of Management and Budget, 1997 edition; (H) for any first sale
601 occurring on or after July 1, 2002, number 2 heating oil to be used

602 exclusively in a vessel primarily engaged in interstate commerce; [,
603 which vessel qualifies for an exemption under section 12-412;] (I) for
604 any first sale occurring on or after July 1, 2000, paraffin or
605 microcrystalline waxes; (J) for any first sale occurring prior to July 1,
606 2008, petroleum products to be used as a fuel for a fuel cell; [, as
607 defined in subdivision (113) of section 12-412;] (K) a commercial
608 heating oil blend containing not less than ten per cent of alternative
609 fuels derived from agricultural produce, food waste, waste vegetable
610 oil or municipal solid waste, including, but not limited to, biodiesel or
611 low sulfur dyed diesel fuel; or (L) for any first sale occurring on or
612 after July 1, 2007, diesel fuel other than diesel fuel to be used in an
613 electric generating facility to generate electricity.

614 (3) The rate of tax on gross earnings derived from the first sale of
615 grade number 6 fuel oil, as defined in regulations adopted pursuant to
616 section 16a-22c, to be used exclusively by a company which, in
617 accordance with census data contained in the Standard Industrial
618 Classification Manual, United States Office of Management and
619 Budget, 1987 edition, is included in code classifications 2000 to 3999,
620 inclusive, or in Sector 31, 32 or 33 in the North American Industrial
621 Classification System United States Manual, United States Office of
622 Management and Budget, 1997 edition, or number 2 heating oil used
623 exclusively in a vessel primarily engaged in interstate commerce [,
624 which vessel qualifies for an exemption under section 12-412] shall be:
625 (A) Four per cent with respect to calendar quarters commencing on or
626 after July 1, 1998, and prior to July 1, 1999; (B) three per cent with
627 respect to calendar quarters commencing on or after July 1, 1999, and
628 prior to July 1, 2000; (C) two per cent with respect to calendar quarters
629 commencing on or after July 1, 2000, and prior to July 1, 2001; and (D)
630 one per cent with respect to calendar quarters commencing on or after
631 July 1, 2001, and prior to July 1, 2002.

632 (c) (1) Any company which imports or causes to be imported into
633 this state petroleum products for sale, use or consumption in this state,
634 other than a company subject to and having paid the tax on such

635 company's gross earnings from first sales of petroleum products
636 within this state, which earnings include gross earnings attributable to
637 such imported or caused to be imported petroleum products, in
638 accordance with subsection (b) of this section, shall pay a quarterly tax
639 on the consideration given or contracted to be given for such
640 petroleum product if the consideration given or contracted to be given
641 for all such deliveries during the quarterly period for which such tax is
642 to be paid exceeds three thousand dollars. Except as otherwise
643 provided in subdivision (3) of this subsection, the rate of tax shall be
644 (A) five per cent with respect to calendar quarters commencing prior to
645 July 1, 2005; (B) five and eight-tenths per cent with respect to calendar
646 quarters commencing on or after July 1, 2005, and prior to July 1, 2006;
647 (C) six and three-tenths per cent with respect to calendar quarters
648 commencing on or after July 1, 2006, and prior to July 1, 2007; (D)
649 seven per cent with respect to calendar quarters commencing on or
650 after July 1, 2007, and prior to July 1, 2013; and (E) eight and one-tenth
651 per cent with respect to calendar quarters commencing on or after July
652 1, 2013. Fuel in the fuel supply tanks of a motor vehicle, which fuel
653 tanks are directly connected to the engine, shall not be considered a
654 delivery for the purposes of this subsection.

655 (2) Consideration given or contracted to be given for petroleum
656 products, gross earnings from the first sale of which are exempt from
657 tax under subdivision (2) of subsection (b) of this section, shall be
658 exempt from tax.

659 (3) The rate of tax on consideration given or contracted to be given
660 for grade number 6 fuel oil, as defined in regulations adopted
661 pursuant to section 16a-22c, to be used exclusively by a company
662 which, in accordance with census data contained in the Standard
663 Industrial Classification Manual, United States Office of Management
664 and Budget, 1987 edition, is included in code classifications 2000 to
665 3999, inclusive, or in Sector 31, 32 or 33 in the North American
666 Industrial Classification System United States Manual, United States
667 Office of Management and Budget, 1997 edition, or number 2 heating

oil used exclusively in a vessel primarily engaged in interstate commerce [, which vessel qualifies for an exemption under section 12-412] shall be: (A) Four per cent with respect to calendar quarters commencing on or after July 1, 1998, and prior to July 1, 1999; (B) three per cent with respect to calendar quarters commencing on or after July 1, 1999, and prior to July 1, 2000; (C) two per cent with respect to calendar quarters commencing on or after July 1, 2000, and prior to July 1, 2001; and (D) one per cent with respect to calendar quarters commencing on or after July 1, 2001, and prior to July 1, 2002.

Sec. 15. Section 19a-485 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective April 1, 2009*):

(a) Whenever the words "home for the aged" or "homes for the aged" are used or referred to in the following sections of the general statutes, the words "residential care home" or "residential care homes", respectively, shall be substituted in lieu thereof: 1-19, 9-19c, 9-19d, 9-159q, 10a-178, 12-407, as amended by this act, [12-412,] 17b-340, 17b-341, 17b-344, 17b-352, 17b-356, 17b-522, 17b-601, 19a-490, 19a-491, 19a-491a, 19a-504, 19a-521, 19a-521b, 19a-550, 19a-576, 19a-638, 19a-639, 20-87a, 32-23d, 38a-493 and 38a-520.

(b) If the words "home for the aged" or "homes for the aged" are used or referred to in any public or special act of 1997 or 1998, the words shall be deemed to refer to "residential care home" or "residential care homes" respectively.

Sec. 16. Section 19a-669 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective April 1, 2009*):

Effective October 1, 1993, and October first of each subsequent year, the Secretary of the Office of Policy and Management shall determine and inform the Office of Health Care Access of the maximum amount of disproportionate share payments and emergency assistance to families eligible for federal matching payments under the medical assistance program pursuant to federal statute and regulations and

699 subdivisions (2) and (28) of subsection (a) of section 12-407,
 700 subdivision (1) of section 12-408, as amended by this act, [subdivision
 701 (5) of section 12-412,] section 12-414, section 19a-649 and this section
 702 and the actual and anticipated appropriation to the medical assistance
 703 disproportionate share-emergency assistance account authorized
 704 pursuant to sections 3-114i and 12-263a to 12-263e, inclusive,
 705 subdivisions (2) and (29) of subsection (a) of section 12-407,
 706 subdivision (1) of section 12-408, as amended by this act, section 12-
 707 408a, [subdivision (5) of section 12-412,] subdivision (1) of section 12-
 708 414 and sections 19a-646, 19a-659, 19a-662, 19a-669 to 19a-670a,
 709 inclusive, as amended by this act, 19a-671, as amended by this act, 19a-
 710 671a, 19a-672, as amended by this act, 19a-672a, 19a-673 and 19a-676,
 711 and the amount of emergency assistance to families' payments to
 712 eligible hospitals projected for the year, and the anticipated amount of
 713 any increase in payments made pursuant to any resolution of any civil
 714 action pending on April 1, 1994, in the United States district court for
 715 the district of Connecticut. The Department of Social Services shall
 716 inform the office of any amount of uncompensated care which the
 717 Department of Social Services determines is due to a failure on the part
 718 of the hospital to register patients for emergency assistance to families,
 719 or a failure to bill properly for emergency assistance to families'
 720 patients. If during the course of a fiscal year the Secretary of the Office
 721 of Policy and Management determines that these amounts should be
 722 revised, said secretary shall so notify the office and the office may
 723 modify its calculation pursuant to section 19a-671, as amended by this
 724 act, to reflect such revision and its orders as it deems appropriate and
 725 the Commissioner of Social Services may modify said commissioner's
 726 determination pursuant to section 19a-671, as amended by this act.

727 Sec. 17. Subsection (d) of section 19a-670 of the general statutes is
 728 repealed and the following is substituted in lieu thereof (*Effective April*
 729 *1, 2009*):

730 (d) Nothing in section 3-114i, subdivision (2) or (29) of subsection (a)
 731 of section 12-407, subdivision (1) of section 12-408, as amended by this

732 act, section 12-408a, [subdivision (5) of section 12-412,] subdivision (1)
733 of section 12-414, or sections 12-263a to 12-263e, inclusive, section 19a-
734 646, 19a-659, 19a-662 or 19a-669 to 19a-670a, inclusive, as amended by
735 this act, 19a-671, as amended by this act, 19a-671a, 19a-672, as
736 amended by this act, 19a-672a, 19a-673 and section 19a-676, or section
737 1, 2, or 38 of public act 94-9* shall be construed to require the
738 Department of Social Services to pay out more funds than are
739 appropriated pursuant to said sections.

740 Sec. 18. Section 19a-671 of the general statutes is repealed and the
741 following is substituted in lieu thereof (*Effective April 1, 2009*):

742 The Commissioner of Social Services is authorized to determine the
743 amount of payments pursuant to sections 19a-670, as amended by this
744 act, 19a-670a, 19a-671, as amended by this act, 19a-671a and 19a-672, as
745 amended by this act, for each hospital. The commissioner's
746 determination shall be based on the advice of the office and the
747 application of the calculation in this section. For each hospital, the
748 Office of Health Care Access shall calculate the amount of payments to
749 be made pursuant to sections 19a-670, as amended by this act, 19a-
750 670a, 19a-671, as amended by this act, 19a-671a and 19a-672, as
751 amended by this act, as follows:

752 (1) For the period April 1, 1994, to June 30, 1994, inclusive, and for
753 the period July 1, 1994, to September 30, 1994, inclusive, the office shall
754 calculate and advise the Commissioner of Social Services of the
755 amount of payments to be made to each hospital as follows:

756 (A) Determine the amount of pool payments for the hospital,
757 including grants approved pursuant to section 19a-168k, in the
758 previously authorized budget authorization for the fiscal year
759 commencing October 1, 1993.

760 (B) Calculate the sum of the result of subparagraph (A) of this
761 subdivision for all hospitals.

762 (C) Divide the result of subparagraph (A) of this subdivision by the
763 result of subparagraph (B) of this subdivision.

764 (D) From the anticipated appropriation to the medical assistance
765 disproportionate share-emergency assistance account made pursuant
766 to sections 3-114i and 12-263a to 12-263e, inclusive, subdivisions (2)
767 and (29) of subsection (a) of section 12-407, subdivision (1) of section
768 12-408, as amended by this act, section 12-408a, [subdivision (5) of
769 section 12-412,] subdivision (1) of section 12-414 and sections 19a-646,
770 19a-659, 19a-662, 19a-669 to 19a-670a, inclusive, as amended by this act,
771 19a-671, as amended by this act, 19a-671a, 19a-672, as amended by this
772 act, 19a-672a, 19a-673 and 19a-676, for the quarter subtract the amount
773 of any additional medical assistance payments made to hospitals
774 pursuant to any resolution of or court order entered in any civil action
775 pending on April 1, 1994, in the United States District Court for the
776 district of Connecticut, and also subtract the amount of any emergency
777 assistance to families payments projected by the office to be made to
778 hospitals in the quarter.

779 (E) The disproportionate share payment shall be the result of
780 subparagraph (D) of this subdivision multiplied by the result of
781 subparagraph (C) of this subdivision.

782 (2) For the fiscal year commencing October 1, 1994, and subsequent
783 fiscal years, the interim payment shall be calculated as follows for each
784 hospital:

785 (A) For each hospital determine the amount of the medical
786 assistance underpayment determined pursuant to section 19a-659, plus
787 the actual amount of uncompensated care including emergency
788 assistance to families determined pursuant to section 19a-659, less any
789 amount of uncompensated care determined by the Department of
790 Social Services to be due to a failure of the hospital to enroll patients
791 for emergency assistance to families, plus the amount of any grants
792 authorized pursuant to the authority of section 19a-168k.

793 (B) Calculate the sum of the result of subparagraph (A) of this
794 subdivision for all hospitals.

795 (C) Divide the result of subparagraph (A) of this subdivision by the
796 result of subparagraph (B) of this subdivision.

797 (D) From the anticipated appropriation made to the medical
798 assistance disproportionate share-emergency assistance account
799 pursuant to sections 3-114i and 12-263a to 12-263e, inclusive,
800 subdivisions (2) and (29) of subsection (a) of section 12-407,
801 subdivision (1) of section 12-408, as amended by this act, section 12-
802 408a, [subdivision (5) of section 12-412,] subdivision (1) of section 12-
803 414 and sections 19a-646, 19a-659, 19a-662, 19a-669 to 19a-670a,
804 inclusive, as amended by this act, 19a-671, as amended by this act, 19a-
805 671a, 19a-672, as amended by this act, 19a-672a, 19a-673 and 19a-676,
806 for the fiscal year, subtract the amount of any additional medical
807 assistance payments made to hospitals pursuant to any resolution of or
808 court order entered in any civil action pending on April 1, 1994, in the
809 United States District Court for the district of Connecticut, and also
810 subtract any emergency assistance to families payments projected by
811 the office to be made to the hospitals for the year.

812 (E) The disproportionate share payment shall be the result of
813 subparagraph (D) of this subdivision multiplied by the result of
814 subparagraph (C) of this subdivision.

815 Sec. 19. Section 19a-672 of the general statutes is repealed and the
816 following is substituted in lieu thereof (*Effective April 1, 2009*):

817 The funds appropriated to the medical assistance disproportionate
818 share-emergency assistance account pursuant to sections 3-114i and 12-
819 263a to 12-263e, inclusive, subdivisions (2) and (29) of subsection (a) of
820 section 12-407, subdivision (1) of section 12-408, as amended by this
821 act, section 12-408a, [subdivision (5) of section 12-412,] subdivision (1)
822 of section 12-414 and sections 19a-646, 19a-659, 19a-662, 19a-669 to 19a-
823 670a, inclusive, as amended by this act, 19a-671, as amended by this

824 act, 19a-671a, 19a-672, as amended by this act, 19a-672a, 19a-673 and
 825 19a-676, shall be used by said account to make disproportionate share
 826 payments to hospitals, including grants to hospitals pursuant to
 827 section 19a-168k, and to make emergency assistance to families
 828 payments to hospitals. In addition, a portion of funds appropriated to
 829 the medical assistance disproportionate share-emergency assistance
 830 account may be used to make outpatient payments as the Department
 831 of Social Services determines appropriate or to increase the standard
 832 medical assistance payments to hospitals if the Department of Social
 833 Services determines it to be appropriate to settle any civil action
 834 pending on April 1, 1994, in the United States District Court for the
 835 district of Connecticut. Notwithstanding any other provision of the
 836 general statutes, the Department of Social Services shall not be
 837 required to make any payments pursuant to sections 3-114i and 12-
 838 263a to 12-263e, inclusive, subdivisions (2) and (29) of subsection (a) of
 839 section 12-407, subdivision (1) of section 12-408, as amended by this
 840 act, section 12-408a, [subdivision (5) of section 12-412,] subdivision (1)
 841 of section 12-414 and sections 19a-646, 19a-659, 19a-662, 19a-669 to 19a-
 842 670a, inclusive, as amended by this act, 19a-671, as amended by this
 843 act, 19a-671a, 19a-672, as amended by this act, 19a-672a, 19a-673 and
 844 19a-676, in excess of the funds available in the medical assistance
 845 disproportionate share-emergency assistance account.

846 Sec. 20. Section 22a-9 of the general statutes is repealed and the
 847 following is substituted in lieu thereof (*Effective April 1, 2009*):

848 The commissioner shall act as the official agent of the state in all
 849 matters affecting the purposes of this title and sections 2-20a, 5-238a,
 850 subsection (c) of section 7-131a, sections 7-131e, 7-131f, subsection (a)
 851 of section 7-131g, sections 7-131i, 7-131l, subsection (a) of section 10-
 852 409, subdivisions (51) and (52) of section 12-81, [subdivisions (21) and
 853 (22) of section 12-412,] subsections (a) and (b) of section 13a-94,
 854 sections 13a-142a, 13b-56, 13b-57, 14-100b, 14-164c, chapter 268,
 855 sections 16a-103, 22-91c, 22-91e, subsections (b) and (c) of section 22a-
 856 148, section 22a-150, subdivisions (2) and (3) of section 22a-151,

857 sections 22a-153, 22a-154, 22a-155, 22a-156, 22a-158, chapter 446c,
858 sections 22a-295, 22a-300, 22a-308, 22a-416, chapters 446h to 446k,
859 inclusive, chapters 447 and 448, sections 23-35, 23-37a, 23-41, chapter
860 462, section 25-34, chapter 477, subsection (b) of section 25-128,
861 subsection (a) of section 25-131, chapters 490 and 491 and sections 26-
862 257, 26-297, 26-303 and 47-46a, under any federal laws now or
863 hereafter to be enacted and as the official agent of any municipality,
864 district, region or authority or other recognized legal entity in
865 connection with the grant or advance of any federal or other funds or
866 credits to the state or through the state, to its political subdivisions.

867 Sec. 21. Subsection (a) of section 26-82 of the general statutes is
868 repealed and the following is substituted in lieu thereof (*Effective April*
869 *1, 2009*):

870 (a) No person shall hunt, pursue, wound or kill any deer or sell or
871 offer for sale or have in possession the flesh of any deer captured or
872 killed in this state, or have in possession the flesh of any deer from any
873 other state or country unless it is properly tagged as required by such
874 state or country except as provided by the terms of this chapter or
875 regulations adopted pursuant thereto, and except that any landowner
876 or primary lessee of land owned by such landowner or the husband or
877 wife or any lineal descendant of such landowner or lessee or any
878 designated agent of such landowner or lessee may kill deer with a
879 shotgun, rifle or bow and arrow provided a damage permit has first
880 been obtained from the commissioner and such person has not been
881 convicted for any violation of this section, section 26-85, 26-86a, 26-86b
882 or 26-90 or subsection (b) of section 26-86a-2 of the regulations of
883 Connecticut state agencies within three years preceding the date of
884 application. Upon the receipt of an application, on forms provided by
885 the commissioner and containing such information as said
886 commissioner may require, from any landowner who has or whose
887 primary lessee has an actual or potential gross annual income of
888 twenty-five hundred dollars or more from the commercial cultivated
889 production of grain, forage, fruit, vegetables, flowers, ornamental

890 plants or Christmas trees and who is experiencing an actual or
891 potential loss of income because of severe damage by deer, the
892 commissioner shall issue not more than six damage permits without
893 fee to such landowner or the primary lessee of such landowner, or the
894 wife, husband, lineal descendant or designated agent of such
895 landowner or lessee. The application shall be notarized and signed by
896 all landowners or by the landowner or a lessee, [to whom a farmer tax
897 exemption permit has been issued pursuant to subdivision (63) of
898 section 12-412.] Such damage permit shall be valid through October
899 thirty-first of the year in which it is issued and may specify the hunting
900 implement or shot size or both which shall be used to take such deer.
901 The commissioner may at any time revoke such permit for violation of
902 any provision of this section or for violation of any regulation pursuant
903 thereto or upon the request of the applicant. Notwithstanding the
904 provisions of section 26-85, the commissioner may issue a permit to
905 any landowner or primary lessee of land owned by such landowner or
906 the husband or wife or any lineal descendant of such landowner or
907 lessee and to not more than three designated agents of such landowner
908 or lessee to use a jacklight for the purpose of taking deer when it is
909 shown, to the satisfaction of the commissioner, that such deer are
910 causing damage which cannot be reduced during the daylight hours
911 between sunrise and one-half hour after sunset on the land of such
912 landowner. The commissioner may require notification as specified on
913 such permit prior to its use. Any deer killed in accordance with the
914 provisions of this section shall be the property of the owner of the land
915 upon which the same has been killed, but shall not be sold, bartered,
916 traded or offered for sale, and the person who kills any such deer shall
917 tag and report each deer killed, as provided in section 26-86b. Upon
918 receipt of the report required by section 26-86b, the commissioner shall
919 issue an additional damage permit to the person making such report.
920 Any deer killed otherwise than under the conditions provided for in
921 this chapter or regulations adopted pursuant thereto shall remain the
922 property of the state and may be disposed of by the commissioner at
923 the commissioner's discretion to any state institution or may be sold

924 and the proceeds of such sale shall be remitted to the State Treasurer,
925 who shall apply the same to the General Fund, and no person, except
926 the commissioner, shall retail, sell or offer for sale the whole or any
927 part of any such deer. No person shall be a designated agent of more
928 than one landowner or primary lessee in any calendar year. No person
929 shall make, set or use any trap, snare, salt lick, bait or other device for
930 the purpose of taking, injuring or killing any deer, except that deer
931 may be taken over an attractant in areas designated by the
932 commissioner. For the purposes of this section, an attractant means
933 any natural or artificial substance placed, exposed, deposited,
934 distributed or scattered that is used to attract, entice or lure deer to a
935 specific location including, but not limited to, salt, chemicals or
936 minerals, including their residues or any natural or artificial food, hay,
937 grain, fruit or nuts. The commissioner may authorize any municipality,
938 homeowner association or nonprofit land-holding organization
939 approved by the commissioner under the provisions of this section to
940 take deer at any time, other than Sundays, or place using any method
941 consistent with professional wildlife management principles when a
942 severe nuisance or ecological damage can be demonstrated to the
943 satisfaction of the commissioner. Any such municipality, homeowner
944 association or nonprofit land-holding organization shall submit to the
945 commissioner, for the commissioner's review and approval, a plan that
946 describes the extent and degree of the nuisance or ecological damage
947 and the proposed methods of taking. Prior to the implementation of
948 any such approved plan, the municipality, homeowner association or
949 nonprofit land-holding organization shall provide notice of such plan
950 to any abutting landowners of such place where the plan will be
951 implemented. Such plan shall not authorize the use of a snare. No
952 person shall hunt, pursue or kill deer being pursued by any dog,
953 whether or not such dog is owned or controlled by such person, except
954 that no person shall be guilty of a violation under this section when
955 such a deer is struck by a motor vehicle operated by such person. No
956 person shall use or allow any dog in such person's charge to hunt,
957 pursue or kill deer. No permit shall be issued when in the opinion of

958 the commissioner the public safety may be jeopardized.

959 Sec. 22. Section 32-650a of the general statutes is repealed and the
960 following is substituted in lieu thereof (*Effective April 1, 2009*):

961 The use of the term "Adriaen's Landing" in this chapter [,
962 subdivision (1) of section 12-412] and subsection (a) of section 12-498 is
963 for convenience and shall not be construed to require that the
964 improvements within the capital city economic development district
965 which are contemplated by this chapter [, subdivision (1) of section 12-
966 412] and subsection (a) of section 12-498 bear that name.

967 Sec. 23. Subdivision (22) of section 32-651 of the general statutes is
968 repealed and the following is substituted in lieu thereof (*Effective April*
969 *1, 2009*):

970 (22) "Overall project" means the convention center project, the
971 stadium facility project and the parking project, or one or more of the
972 foregoing as more particularly described in the master development
973 plan, including all related planning, feasibility, environmental testing
974 and assessment, permitting, engineering, technical and other necessary
975 development activities, including site acquisition, site preparation and
976 infrastructure improvements. As used in sections 32-664, 32-665 and
977 32-668, [and subdivision (1) of section 12-412,] subsection (a) of section
978 12-498, [and] subdivision (1) of section 22a-134, and section 32-617a,
979 "overall project" also includes the development, design, construction,
980 finishing, furnishing and equipping of the on-site related private
981 development.

982 Sec. 24. Subsection (i) of section 32-656 of the general statutes is
983 repealed and the following is substituted in lieu thereof (*Effective April*
984 *1, 2009*):

985 (i) The secretary and the authority shall jointly select and appoint an
986 independent construction contract compliance officer or agent, which
987 may be an officer or agency of a political subdivision of the state, other

988 than the authority, or a private consultant experienced in similar
989 public contract compliance matters, to monitor compliance by the
990 secretary, the authority, the project manager and each prime
991 construction contractor with the provisions of applicable state law,
992 including [subdivision (1) of section 12-412,] subsection (a) of section
993 12-498, sections 12-541 and 13a-25, subdivision (1) of section 22a-134,
994 section 32-600, subsection (c) of section 32-602, subsection (e) of section
995 32-605, section 32-610, subsections (a) and (b) of section 32-614,
996 sections 32-617, 32-617a, 32-650, 32-651 to 32-658, inclusive, as
997 amended by this act, 32-660 and 32-661, subsection (b) of section 32-
998 662, section 32-663, subsections (j) to (l), inclusive, of section 32-664,
999 sections 32-665 to 32-666a, inclusive, sections 32-668 and 48-21 and
1000 sections 29 and 30 of public act 00-140*, and with applicable
1001 requirements of contracts with the secretary or the authority, relating
1002 to set-asides for small contractors and minority business enterprises
1003 and required efforts to hire available and qualified members of
1004 minorities and available and qualified residents of the city of Hartford
1005 and the town of East Hartford for construction jobs with respect to the
1006 overall project and the on-site related private development. Such
1007 independent contract compliance officer or agent shall file a written
1008 report of his or her findings and recommendations with the secretary
1009 and the authority each quarter during the period of project
1010 development.

1011 Sec. 25. Section 52-568a of the general statutes is repealed and the
1012 following is substituted in lieu thereof (*Effective April 1, 2009*):

1013 Any person or any attorney who represents such person, who
1014 commences any civil action or complaint, in his own name or the name
1015 of others, against the owner or operator of a "pick or cut your own
1016 agricultural operation" (1) without probable cause, shall pay such
1017 owner or operator double damages, including, in the discretion of the
1018 court, costs and attorney's fees, or (2) without probable cause, and with
1019 a malicious intent unjustly to vex and trouble such owner or operator,
1020 shall pay such owner or operator treble damages including, in the

1021 discretion of the court, costs and attorney's fees. As used in this
 1022 section, "pick or cut your own agricultural operation" means a farm [to
 1023 whom the Department of Revenue Services has issued a farmer tax
 1024 exemption permit under subdivision (63) of section 12-412] that allows
 1025 any person to enter such farm for the purpose of agricultural
 1026 harvesting, including the cutting of Christmas trees. Nothing in this
 1027 section shall be construed to affect or abrogate the provisions of section
 1028 52-568.

1029 Sec. 26. Sections 12-129s, 12-412, 12-412b, 12-412e, and 12-412h of
 1030 the general statutes are repealed. (*Effective April 1, 2009, and applicable*
 1031 *to sales occurring on and after said date*)

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>April 1, 2009, and applicable to sales occurring on and after said date</i>	12-408(1)
Sec. 2	<i>April 1, 2009, and applicable to sales occurring on and after said date</i>	12-411
Sec. 3	<i>April 1, 2009, and applicable to sales occurring on and after said date</i>	New section
Sec. 4	<i>April 1, 2009, and applicable to sales occurring on and after said date</i>	12-407(a)(8)(A)
Sec. 5	<i>April 1, 2009, and applicable to sales occurring on and after said date</i>	12-407(a)(9)(A)
Sec. 6	<i>April 1, 2009, and applicable to sales occurring on and after said date</i>	12-407(a)(37)(I)

Sec. 7	<i>April 1, 2009, and applicable to sales occurring on and after said date</i>	12-407(a)(37)(N)
Sec. 8	<i>April 1, 2009, and applicable to sales occurring on and after said date</i>	12-407(a)(37)(S)
Sec. 9	<i>April 1, 2009, and applicable to sales occurring on and after said date</i>	12-407(a)(37)(EE)
Sec. 10	<i>April 1, 2009, and applicable to sales occurring on and after said date</i>	12-408b
Sec. 11	<i>April 1, 2009, and applicable to sales occurring on and after said date</i>	12-410
Sec. 12	<i>April 1, 2009, and applicable to sales occurring on and after said date</i>	12-458(a)(3)
Sec. 13	<i>April 1, 2009, and applicable to sales occurring on and after said date</i>	12-462(a)
Sec. 14	<i>April 1, 2009, and applicable to sales occurring on and after said date</i>	12-587(b) and (c)
Sec. 15	<i>April 1, 2009</i>	19a-485
Sec. 16	<i>April 1, 2009</i>	19a-669
Sec. 17	<i>April 1, 2009</i>	19a-670(d)
Sec. 18	<i>April 1, 2009</i>	19a-671
Sec. 19	<i>April 1, 2009</i>	19a-672
Sec. 20	<i>April 1, 2009</i>	22a-9
Sec. 21	<i>April 1, 2009</i>	26-82(a)
Sec. 22	<i>April 1, 2009</i>	32-650a
Sec. 23	<i>April 1, 2009</i>	32-651(22)

Sec. 24	<i>April 1, 2009</i>	32-656(i)
Sec. 25	<i>April 1, 2009</i>	52-568a
Sec. 26	<i>April 1, 2009, and applicable to sales occurring on and after said date</i>	Repealer section

Statement of Purpose:

To eliminate exemptions from the sales and use tax, lower the rate of the tax to five per cent, and make conforming changes.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]